

The M organization was incorporated as a nonprofit organization for the purpose of regulating the sale at auction of a specified agricultural commodity in a certain area in order to protect alike the interest of producers, warehousemen and purchasers. To evenly distribute sales among all warehousemen where auctions are held, regulations have been adopted limiting the quantity of products sold and arranging schedules of dates, hours and location of auctions. A trading floor is not maintained. Schedules are so arranged that processing plants will not be overloaded, and so that all crops can be disposed of and yet assure maximum competition at each sale. The organization polices the auctions and enforces its regulations through a supervisor of sales. High standards of the market are maintained by the supervisor, resulting in benefits to the buyers as well as the growers. The organization furnishes by radio for the benefit of growers technical information on farming of the specified product and during the selling season furnishes market quotations for the previous day. A committee on roads and traffic calls the attention of state officials to growers' needs in bringing their crops to market. Held, the organization qualifies for exemption from Federal income tax under the provisions of section 501(c)(6) of the Internal Revenue Code of 1954 as a board of trade.